

2

\$100 New No. 1
- A
- B

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
ROBERT S. HOPE
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D. C. BAR
** ALSO A MEMBER OF OHIO BAR

LAW OFFICES
ALVORD AND ALVORD
200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D. C.
20006

RECORDATION NO. 11276
DEC 28 1979 - 1 15 PM
INTERSTATE COMMERCE COMMISSION

OF COUNSEL
JESS LARSON
URBAN A. LESTER
CABLE ADDRESS
"ALVORD"
TELEPHONE
AREA CODE 202
393-2266
TELEX
440348 CDAA UI

11276-B
RECORDATION NO. 11276
DEC 28 1979 - 1 15 PM

11276-A
RECORDATION NO. 11276
DEC 28 1979 - 1 15 PM
INTERSTATE COMMERCE COMMISSION
No. 9-362A928
Date _____
Fee \$ 100.00
ICC Washington, D. C.

Secretary INTERSTATE COMMERCE COMMISSION
Interstate Commerce Commission
Washington, D.C. 20423

Dear Madam:

Enclosed for recordation under the provisions of 49 U.S.C. §11303 are 1) two fully executed copies of a Shipper Agreement dated as of September 28, 1979; 2) two fully executed copies of a Shipper Full Service Lease Agreement dated as of September 28, 1979 (Exhibit I to 1) above); and three fully executed copies of an Assignment of CF Industries, Inc. Agreement dated as of December 10, 1979.

A general description of the railroad rolling stock covered by the enclosed documents is:

Two hundred (200) 4750 cubic feet covered hopper cars, AAR Mechanical Designation LO, bearing reporting mark WAR 15000 through WAR 15199, both inclusive (but in part as to the Assignment indicated below).

One hundred (100) 4650 cubic feet covered hopper cars, AAR Mechanical Designation LO, without reporting mark and numbers (but not covered by Assignment).

The names and addresses of the parties to the enclosed documents are:

Brae (to Shipper Agreement):
Lessor (to Shipper Full Service Lease Agreement):
Assignor (to Assignment):

Brae Corporation
Three Embarcadero Center
San Francisco, California
94111

C.T. Kowale
C. Quinlan

Secretary
Interstate Commerce Commission
December 26, 1979
Page Two

Shipper (to Shipper Agreement):
Lessee (to Shipper Full Service
Lease Agreement):

C.F. Industries, Inc.
Salem Lake Drive
Long Grove, Illinois 60047

Owner (to Assignment with
respect to twenty
hopper cars, WAR 15080-
WAR 15099):

D.L. Steel Company
4433 West Tuohy Avenue
Chicago, Illinois 60646

The undersigned is Agent for Brae Corporation for the purpose of submitting the enclosed documents for recordation and has knowledge of the matters set forth therein.

Please return copies of the enclosed documents not needed for your records to Charles T. Kappler, Esq., Alvord and Alvord, 200 World Center Building, 918 Sixteenth Street, N.W., Washington, D.C. 20006 or to the bearer of this letter.

Enclosed is a check in the amount of \$50.00 payable to the order of the Interstate Commerce Commission covering the required recordation fees.

Very truly yours,

ALVORD AND ALVORD, as Agent
for Brae Corporation

By Charles T. Kappler

Charles T. Kappler

EXHIBIT I

to

SHIPPER AGREEMENT

11276-A
RECORDATION NO. FILED 1425

DEC 23 1979 - 1 15 P.M.

INTERSTATE COMMERCE COMMISSION

SHIPPER FULL SERVICE LEASE AGREEMENT

LEASE AGREEMENT, dated as of September 28th, 1979, between BRAE CORPORATION, a Delaware corporation ("Lessor"), and CF INDUSTRIES, INC., a Delaware corporation ("Lessee").

RECITAL

Lessor and Lessee have entered into a Shipper Agreement dated as of the date hereof (the "Shipper Agreement") with respect to the railroad cars (the "Cars") shown on the Equipment Schedule (the "Schedule") attached to this Lease. The Shipper Agreement provides that, upon the occurrence of certain events, this Lease shall without further act become effective with respect to the Cars affected by those events.

THE PARTIES AGREE AS FOLLOWS:

1. Lease

Lessor agrees to lease to Lessee and lessee agrees to lease from Lessor the Cars in the events, upon the terms and subject to the conditions set forth herein. Cars which become subject to this Lease are referred to herein as "Leased Cars".

2. Term

Except as otherwise provided in Sections 6C, D and E of the Shipper Agreement, the term of the Lease with respect to each Leased Car shall commence upon the Effective Date and shall terminate on the date that the Shipper Agreement would have terminated. The provisions of Section 4 of the Shipper Agreement relating to optional extension terms are by this reference incorporated in the Lease.

3. Delivery and Acceptance

A Car shall be deemed to have been delivered to and accepted by Lessee and to become a Leased Car immediately upon the occurrence with respect to such Car of the events specified in Section 6B or 12C of the Shipper Agreement (the "Effective Date").

4. Markings

A. As promptly after the Effective Date as practicable Lessee shall, at its expense, cause each Leased Car to be marked clearly and conspicuously to show the interest of Lessor or any secured party or any assignee of either thereof in such Leased Car. Any such secured party or assignee may from time to time, at its expense, require new or changed markings to be placed on the Leased Cars disclosing its interest in the Leased Cars. If any of such markings shall be removed, defaced or destroyed, Lessee shall cause it to be restored or replaced immediately at Lessor's expense.

B. Other than as required by Section 4A, Lessee shall not place, or permit to be placed, upon the Leased Cars any lettering or marking of any kind without Lessor's prior written consent, except that for the purpose of evidencing the operation of the Leased Cars in Lessee's service, Lessee may board, placard or stencil the Leased Cars with the reporting marks and such other information as required by the rules of the Association of American Railroads ("AAR").

5. Fixed Rent

The monthly fixed rent with respect to each Leased Car is specified in Paragraph 1 of the Schedule. Fixed rent shall commence to accrue for each Leased Car on the Effective Date and shall continue to accrue throughout the term of this Lease, unless such Leased Car is removed from service without replacement as provided in Section 9E or destroyed as described in Section 10. The first fixed rent payment for each Leased Car shall be made on the last day of the month in which the Effective Date occurs and shall be in an amount equal to one-thirtieth of the monthly fixed rent, multiplied by the number of days from the Effective Date through and including the last day of such month. Subsequent payments of fixed rent shall be made in advance on or before the first day of each succeeding month during the term of this Lease. The last payment of fixed rent shall be in an amount equal to one-thirtieth of the monthly fixed rent, multiplied by the number of days from the first day of the final month through and including the termination date of this Lease.

6. Additional Rent

A. On or before April 1 of each year, Lessor shall determine the total number of miles that each Leased Car has traveled (loaded and empty) during (i) the preceding calendar year ("Full Year") or (ii) in the case of any calendar year in which the Effective Date (unless it is January 1) or the termination date (unless it is December 31) occurs, that portion of the year during which such Leased Car is leased pursuant to this Lease ("Partial Year").

B. For each Leased Car traveling more miles during any Full Year or Partial Year than the number of miles set forth in Paragraph 2 of the Schedule, Lessee will pay to Lessor as additional rent the applicable amount set forth in Paragraph 2 of the Schedule. The determination of the total number of miles traveled by each Leased Car during any Full Year or Partial Year shall be made by multiplying by two the total number of miles that such Leased Car traveled while loaded, unless Lessor has in its possession information sufficient to ascertain more precisely the total mileage traveled by such Leased Car.

C. Lessee shall report regularly to Lessor movements of the Leased Cars, giving the date, destination and routing of the Leased Car and loading and unloading information, together with other information regarding the Leased Cars which Lessee may receive from railroads or other sources.

7. Allowances

A. Any mileage allowances or other compensation payable by railroads for use of the Leased Cars ("Allowances") shall be collected by Lessor.

B. Insofar as applicable laws and regulations permit, Lessee (unless an Event of Default specified in Section 20 shall have occurred and be continuing) shall be entitled to all Allowances collected by Lessor from railroads as a credit against fixed rent and additional rent, but in no event shall such credit exceed the total of fixed rent and additional rent payable by Lessee during the term of this Lease.

8. Use of Cars

A. Lessee agrees, to the extent possible, to use the Leased Cars so that mileage under load will equal or exceed mileage empty on each railroad over which the Leased Cars move. In the event that empty mileage should exceed loaded mileage on any railroad and Lessor should be notified by such railroad to equalize mileage or to pay for such excess, Lessee shall equalize such excess empty mileage within the time limit established by the railroad or pay Lessor for such excess at the rate established by the applicable tariff, if billing is received from the applicable authorities.

B. Lessee shall use the Leased Cars predominantly within the continental United States of America. Lessee agrees that, if any of the Leased Cars are used outside the continental United States of America, Lessee shall reimburse Lessor for any customs, duties, taxes or other expenses resulting from such use.

9. Maintenance

A. Lessee will preserve the Leased Cars in good condition and will not alter the physical structure of any Leased Car without the prior written consent of Lessor. Lessee agrees to give Lessor prompt written notice of the need to repair or perform maintenance upon any Leased Car.

B. Except as otherwise provided in this Section 9, Lessor shall, at its expense, maintain the Leased Cars in good condition and repair in accordance with the Code of Rules Governing Condition of and Repairs to Freight and Passenger Cars for the Interchange of Traffic ("Code of Rules") and the rules and regulations of the Federal Railway Administration. All manufacturers' warranties with respect to the Leased Cars shall inure to the benefit of Lessor.

C. Lessor's obligation to maintain the Leased Cars under Section 9B shall not extend to mandatory changes in the design of any Leased Car, its components, configurations or safety appliances or other changes required by legislation or regulations effective after the Effective Date. In the event of such a change, Lessor may but need not terminate this Agreement with respect to those Leased Cars to which it is applicable. Lessor's maintenance obligation shall not extend to repair or maintenance required as a result of, or attributable to: (i) defects in the manufacture or workmanship of any Leased Car or any component thereof or any material incorporated therein by the manufacturer thereof or by any person other than the Lessor, its agents or representatives; (ii) damage caused by Lessee, its agents or representatives or any third party (other than a railroad), or while any Leased Car is in Lessee's possession; (iii) damage caused to any Leased Car by any corrosive or abrasive substance (ordinary wear and tear excepted) loaded therein or used in connection therewith; (iv) damage caused to any Leased Car by open flames, vibrators, sledges or other similar devices during loading or unloading; (v) excessive or unbalanced loading; and (vi) special interior linings, interior loading devices and removable parts, excepting hatchcovers and discharge gates.

D. Lessor shall forward to Lessee any bills for repairs made to the Leased Cars by railroads because of damage caused in any of the circumstances set forth in Section 9C, and Lessee shall promptly pay such bills. In the case of damage to the Leased Cars which is the responsibility of a railroad under the Code of Rules, Lessor shall perform the necessary repairs and shall prepare and submit such documents and take such other actions as are necessary to recover the cost of such repairs in accordance with the Code of Rules. Lessor shall be entitled to any costs so recovered.

E. If any Leased Car is (i) unavailable for use as a result of less than complete destruction or failure of Lessor properly to maintain and repair such Leased Car for any reason

not specifically excepted in Section 9C and (ii) reported by Lessee to Lessor as in need of repair, fixed rent for such Leased Car shall abate from the fifth day after the date when such Leased Car is so reported until it is repaired and returned to service or replaced by another railcar. Lessor may, at its option, terminate this Lease as to any such Leased Car and, in that event, such Leased Car need not be repaired or replaced. Lessor shall have the right, but shall not be obligated, to substitute, with Lessee's consent, for any Leased Car which shall be damaged or destroyed another railcar of a similar type, capacity and condition.

10. Destruction of Cars

Responsibility for loss, destruction, or damage to the Leased Cars shall be as fixed by the then prevailing Code of Rules. The Code of Rules shall establish the rights, obligations and liabilities of Lessor, Lessee and any railroad subscribing thereto and moving the Leased Cars over its lines in respect of all matters to which the Code of Rules relates. In the event that any Leased Car is lost, damaged or destroyed while on the tracks of Lessee, any private track or on the tracks of a railroad that does not subscribe to the Code of Rules, or in the event that any Leased Car is damaged (ordinary wear and tear excepted) by any commodity transported or stored in it, such repairs, renewals or replacements as may be necessary to replace such Leased Car or to place it in good order and repair shall be at the expense of Lessee, provided that in the event of destruction of or irreparable damage to any Leased Car, Lessee shall promptly pay to Lessor, at Lessor's option, the value of such Leased Car in accordance with the Code of Rules. Lessor and Lessee agree to cooperate with and to assist each other in any manner reasonably necessary to establish proper claims against third parties responsible for loss, destruction or damage to the Leased Cars.

11. Indemnities

A. Except as otherwise provided in Section 10, Lessee agrees to indemnify and hold harmless Lessor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever (whether as a result of damage to the Leased Cars or injury to third parties or their property) and any expense in connection therewith (including legal fees), arising out of the use or operation of the Leased Cars during the term of this Lease, except to the extent that same shall have arisen from the Lessor's gross negligence or wilful misconduct.

B. Lessor shall not be liable for any loss of or damage to any commodities loaded or shipped in the Leased Cars. Lessee agrees to assume responsibility for, to indemnify Lessor against and to hold Lessor harmless from, any claim in respect of such loss or damage and to assume responsibility for any damage caused to any Leased Car by such commodities.

12. Insurance

A. Lessee shall maintain (or cause to be maintained) during the term of this Agreement policies of property damage and public liability insurance (or programs of self insurance) on the Leased Cars in such form and amount and covering such risks and with such deductibles as are reasonably satisfactory to Lessor.

B. Lessee covenants that it will not do any act or voluntarily permit any act to be done whereby any insurance on the Leased Cars (whether maintained by Lessee or Lessor) shall or may be suspended, impaired or defeated. In the event that any Leased Car shall be lost, destroyed, or irreparably damaged from any cause whatsoever during the term of this Agreement, Lessor and Lessee shall proceed diligently and cooperate fully with each other in the recovery of any and all proceeds of insurance applicable thereto.

13. Disclaimer of Warranties

EXCEPT AS PROVIDED IN SECTION 9, LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE CARS. LESSOR SHALL IN NO EVENT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OR FOR ANY LOSS ARISING IN STRICT LIABILITY.

14. Investment Credit

Lessee recognizes that Lessor will utilize the investment credit afforded in respect of the Cars by Sections 38 and 46 through 50 of the Internal Revenue Code. Lessee agrees that it will not commit any act, or fail to take any act, as a result of which Lessor shall lose the benefit of all or any portion of such investment credit.

15. Taxes

A. Lessor shall be responsible for and shall pay all property taxes levied upon the Leased Cars and file all property tax reports and returns relating thereto.

B. Lessor shall not be responsible for the payment of any tax, tariff, duty, customs, switching, demurrage or other charge made by any governmental agency, railroad or other person in respect of any Leased Car, except as provided in Section 15A. Lessee agrees to pay or reimburse Lessor promptly for any such tax, tariff, demurrage or other charges.

16. Assignment; Subordination; Title

A. Lessor's rights hereunder may be assigned, mortgaged or otherwise transferred, either in whole or in part, and Lessor may assign, mortgage or otherwise transfer title to any Leased Car with or without notice to Lessee.

B. This Lease and all of Lessee's rights under this Lease, and all rights of any person who claims right under this Lease through Lessee are subject and subordinate to the terms, covenants and conditions of all chattel mortgages, conditional sales agreements, assignments, equipment trust agreements, finance leases or other security documents covering the Cars or any of them heretofore or hereafter created and entered into by Lessor and to all of the rights of any such chattel mortgagee, assignee, trustee, owner or otherholder of interest in the Cars. In the event of any such assignment, mortgage or transfer, Lessee agrees to execute any and all documents required by the assignee, mortgagee or transferee to confirm such third party's interest in and to the Cars and this Lease, and to confirm the subordination provisions contained in this Section 16B. BRAE agrees to notify Shipper in the event that there shall occur and continue to exist an event of default under any security document which event of default would entitle such secured party to require the return of any of the Cars.

C. Lessee acknowledges and agrees that by execution of this Lease it does not obtain and by payment and performance hereunder it will not obtain, title to any Car or any interest therein, except solely as lessee hereunder. Lessee shall keep the Leased Cars free from all encumbrances, liens and security interests of all kinds (other than those granted by Lessor), which could adversely affect Lessor's title thereto.

D. Without limiting the generality of Sections 16A and B, Lessor may assign this Lease as it relates to specified Cars to the owner of such Cars, provided that Lessor assigns the Shipper Agreement as it relates to such Cars to their owner and Lessor or one of its affiliates enters into a management agreement with such owner relating to its Cars. Upon delivery to Lessee of a notice signed by Lessor regarding such assignment and the effectiveness of the related management agreement, (i) the term "Lessor" when used herein shall mean with respect to the Cars covered by such management agreement, the owner of such Cars, (ii) Lessor shall be relieved of all of its obligations and liabilities under this Lease relating to such Cars and (iii) Lessee with respect to such Cars shall look solely to the owner of such Cars for the performance of Lessor's obligations hereunder. Lessee agrees that any such assignment may relate to one, some or all of the Cars subject to this Agreement.

17. Sublease

Lessee shall not transfer, sublease, or assign this Lease or any Car (by operation of law or otherwise), without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessee agrees (i) that no sublease shall

permit any substantial use of the Leased Cars outside of the continental United States of America, (ii) that no sublessee shall be a tax exempt organization or governmental unit and (iii) that all subleases shall be expressly subordinate as provided in Section 16B. No sublease shall in any way relieve Lessee from its obligations to Lessor under this Lease.

18. Compliance with Regulations

A. On the Effective Date the Leased Cars will conform to the applicable specifications, to all governmental laws and regulations and to all standards recommended by the AAR for railroad equipment of the same type as the Leased Cars. Except as provided in Section 18B, Lessee shall, at its own expense, comply with all governmental laws and regulations and with the Code of Rules with respect to the use, maintenance, and operation of the Leased Cars; provided however, such additional expense shall not exceed the monthly rental for the Leased Cars plus 1.25% of the price of the changes* for which compliance may be ordered. Lessee shall be responsible for obtaining all necessary railroad permissions, approvals and consents for use of the Leased Cars and shall bear all risk of failure to obtain such permissions, approvals and consents and of cancellation thereof. Lessor shall take all actions reasonably requested by Lessee in order to assist Lessee in obtaining such permissions, approvals, or consents.

B. In case any equipment or appliance on any Leased Car shall be required to be changed or replaced in order to comply with applicable laws or regulations or the Code of Rules, Lessor agrees to cause such changes or replacements to be made at its expense, subject to Section 9C.

C. Any part or parts installed or replacements made upon any Leased Car by Lessor or Lessee shall be considered accessions to such Leased Car, and title thereto shall immediately vest in Lessor without further act.

19. Inspections

Lessee will make the Leased Cars available to Lessor or any secured party or any assignee of either thereof at any reasonable time on request for maintenance inspection and for regular maintenance in accordance with Lessor's maintenance responsibility. Lessor will be responsible for all costs of transporting the Leased Cars to maintenance facilities.

20. Events of Default

A. The occurrence of any of the following shall constitute an Event of Default:

(i) the failure by Lessee to make any payment of fixed rent or additional rent or other amount required to be paid by Lessee under this Lease within fifteen days after the date such payment is due;

(ii) the breach by Lessee of any agreement or covenant contained in this Lease, which is not cured within thirty days after notice thereof from Lessor to Lessee;

(iii) any act of insolvency or bankruptcy by Lessee or the filing by or against Lessee of any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law for the relief of, or relating to, debtors; or

(iv) any attempt by Lessee, without Lessor's consent, to assign, sublease or transfer this Lease or any interest in or the right to use or possession of the Cars.

B. Upon the occurrence of any Event of Default, Lessor may, at its option:

(i) proceed by appropriate court action at law or in equity to enforce specific performance by Lessee of this Lease and/or to recover damages for breach hereof; or

(ii) terminate this Lease, whereupon all rights of Lessee to the use of the Cars shall absolutely cease and terminate as though this Lease had never been made, and all fixed rent not theretofore due and payable with respect to the Leased Cars shall forthwith become due and payable.

Upon the occurrence of an Event of Default, Lessor may exercise its remedies with respect to some or all of the Leased Cars. Lessee shall be liable for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Leased Car. The remedies provided in this Lease in favor of Lessor shall not be deemed exclusive, but shall be cumulative and may be exercised concurrently or consecutively, and shall be in addition to all other remedies existing at law or in equity. To the extent permitted of law, now or hereafter in effect, which might limit or modify the remedies herein provided.

21. Return of Leased Cars

Upon termination of this Lease with respect to any Leased Car unless the Shipper Agreement is concurrently becoming effective pursuant to Section 6D thereof with respect to each Leased Car, Lessee, at its expense, shall return such Leased Car to Lessor at any location reasonably specified by Lessor within 1000 miles of the point at which Lessor originally delivered such Leased Car to Lessee under the Shipper Agreement. Such Leased Car shall be (i) empty and free from residue, (ii) in such condition as will permit Lessor immediately to sell or relet it without repair (other than repairs that Lessor is required to make pursuant to Section 9) and (iii) in compliance with all applicable laws and regulations. Lessee shall reimburse Lessor on demand for the cost

of cleaning any returned Leased Car. In the event that any Leased Car is not redelivered to Lessor on or before the termination date of this Lease, all of the obligations of Lessee under this Lease with respect to such Leased Car shall remain in full force and effect until such Leased Car is redelivered to Lessor; provided, however, that the fixed rent for any such Leased Car loaded less than 15 days prior to the termination date of the Lease, shall be 150% the fixed rent for such leased Car specified in the Schedule.

22. Miscellaneous

A. Each party agrees to execute the documents contemplated by this Lease and such other documents as may reasonably be required in connection with this Lease.

B. This Lease shall be governed by the laws of the State of California.

C. No failure or delay by Lessor to exercise its rights or remedies hereunder shall constitute a waiver or otherwise affect or impair any right, power or remedy available to Lessor.

D. Headings to the sections of this Lease are for the convenience of reference only and do not form a part of this Lease and shall not in any way affect the interpretation hereof.

E. No explanation or information by either of the parties shall alter or affect the meaning or interpretation of this Lease and no modification or amendment to this Lease shall be valid unless in writing and executed by both parties.

F. All notices hereunder shall be in writing and shall be deemed given when delivered personally or 72 hours after deposit in the United States mail, postage prepaid certified or registered addressed to the other party at the following address: if to Lessor: Brae Corporation, Three Embarcadero Center, San Francisco, California 94111, Attention: Director of Operations; or if to Lessee: CF Industries, Inc., Salem Lake Drive, Long Grove, Illinois 60047, Attention: Director of Transportation.

IN WITNESS WHEREOF, the parties have executed this Lease
as of the date first above written.

LESSOR:

BRAE CORPORATION

By William J. Texido

Title President

Date October 19, 1979

LESSEE:

CF INDUSTRIES, INC.

By W. J. Haulman

Title VICE PRESIDENT


Date September 28, 1979

FORM APPROVED
CF LAW DEPT.
RA

as
Hwy

EQUIPMENT SCHEDULE No. One

1. Fixed Rent

The monthly fixed rent for each Leased Car shall equal 1.44% of the manufacturer's ~~quoted invoice price~~ ^{**invoiced price} (plus any delivery charges, sales tax and inspection fees not included therein) for such Leased Car. 

**invoiced price in U.S. dollars plus duty

2. Additional Rent

if applicable

The additional rent for each Leased Car for a Full Year shall equal two cents (\$.02) multiplied by the number of miles which such Leased Car has travelled in excess of 25,000 miles during such Full Year, prorated for Partial Years.

The additional rent for each Leased Car for each Partial Year shall be calculated by (i) dividing the total number of days during which such Leased Car was provided by Lessor to Lessee during such Partial Year (the "Total Car Days") into the total number of miles that such Leased Car travelled during such Partial Year, and (2) subtracting therefrom the figure 68.49. If the resulting figure ("Excess Average Daily Mileage") is positive, then additional rent shall be payable for such Partial Year and shall equal the following:

$(\text{Excess Average Daily Mileage}) \times (\text{Total Car Days}) \times ($.02)$

All computations pursuant to this Paragraph 3 shall include days and miles during which the Leased Cars were subject to either this Lease or the Agreement.

3. Loading Points

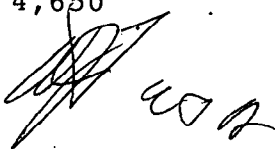
Bonnie, Florida - 150 Cars
Central, Florida - 150 Cars

4. Permitted Use

Transporting fertilizer products such as Superphosphate or Diammonium Phosphate.

EQUIPMENT SCHEDULE No. 1

BRAE CORPORATION hereby leases the following Cars to, CF INDUSTRIES, INC.
 pursuant to that certain Lease Agreement dated as of September 28, 1979.

A.A.R. Mech. Design	Description	Numbers	Length	Dimensions		Doors Width	No. of Cars
				Inside Width	Height		
LO	Covered Hoppers 4,750 Cubic Foot 4,650  Average Delivery Date: _____						100

BRAE CORPORATION

BY: 

William J. Texido

TITLE: President

DATE: October 19, 1979

CF INDUSTRIES, INC.

BY: 

TITLE: VICE PRESIDENT

DATE: September 28, 1979

EQUIPMENT SCHEDULE No. 1

BRAE CORPORATION hereby leases the following Cars to CF INDUSTRIES, INC.
pursuant to that certain Lease Agreement dated as of September 28, 1979.

A.A.R. Mech. Design	Description	Numbers	Dimensions			Doors Width	No. of Cars
			Length	Inside Width	Height		
LO	Covered Hoppers 4,750 Cubic Foot Average Delivery Date: _____	WAR 15000 through WAR 15199					200

BRAE CORPORATION

BY:

William J. Texido

TITLE: President

DATE: October 19, 1979

CF INDUSTRIES, INC.

BY:

W. J. Gaudin

TITLE: VICE PRESIDENT

DATE: September 28, 1979

STATE OF ILLINOIS)
COUNTY OF LAKE)

On this 28th day of September, 1979, before me personally appeared WILLIAM J. HAWKINS, to me personally known, who being by me duly sworn says that such person is VICE PRESIDENT of C. F. INDUSTRIES, and that the foregoing Lease Agreement, Rider(s) No. _____ and Equipment Schedule(s) No. ONE were signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instruments were the free acts and deeds of such corporation.

Sandra Lee Eckler

Notary Public

[seal]

My Commission Expires October 31, 1979

STATE OF CALIFORNIA)
CITY AND COUNTY OF SAN FRANCISCO)

On this 19th day of October, 1979, before me personally appeared William S. Texido, to me personally known, who being by me duly sworn says that such person is PRESIDENT of BRAE CORPORATION, and that the foregoing Lease Agreement, Rider(s) No. _____ and Equipment Schedule(s) No. ONE were signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instruments were the free acts and deeds of such corporation.

Mirella R. Abbo

Notary Public

[seal]

